

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY  
BOARD OF DIRECTORS MEETING**

August 9, 2016  
815 Florida Avenue, NW  
Washington, DC 20001  
5:30 p.m.

**Minutes**

**I. Call to order and verification of quorum.**

The Chairman, Mr. Buwa Binitie, called the meeting to order at 5:35 p.m. and asked the Acting Secretary to the Board of Directors, Mr. Todd A. Lee, to verify a quorum. With four members present, the Board of Directors (the “Board”) had a quorum, and the meeting continued. The members present included Mr. Binitie, Mr. Stephen M. Green, Mr. Bryan Scottie Irving (via telephone), and Mr. Stanley Jackson.

**II. Approval of the Minutes from the July 26, 2016 Board Meeting.**

Mr. Jackson made a motion to approve the minutes as they were presented to the Board, which was seconded by Mr. Green. The minutes were then approved by a chorus of ayes.

**III. Approval of the admission of K&L Gates LLP to the Agency’s pre-qualified Bond Counsel Slate.**

Michael Winter, Deputy General Counsel, explained to the Board that the current attorneys serving as Bond Counsel for the Deanwood Hills transaction had moved to K&L Gates LLP (“K&L”). In order to ensure continuity for the transaction, staff recommends the admission of K&L to the Agency’s pre-qualified slate (the “Slate”). Mr. Winter noted that K&L had responded to the current Bond Counsel Slate RFP, however, the Board would need to approve them to the Slate in the interim.

A motion to admit K&L to the Slate was made by Mr. Green and seconded by Mr. Jackson. The motion was approved by a chorus of ayes.

**IV. Vote to close the meeting to discuss the approval of the Beacon Center transaction.**

Pursuant to the District of Columbia Administrative Procedure Act, a vote was called to close the meeting to discuss, establish or instruct the Agency’s staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of the Beacon Center transaction. An open meeting would adversely affect the bargaining position or negotiating strategy of the Agency. (D.C. Code §2-575(b)(2)).

A motion to close the meeting was made by Mr. Green and seconded by Mr. Jackson. The motion was approved by a chorus of ayes.

The meeting was closed at 5:40 p.m.

Board Member Sheila Miller joined the meeting via telephone at 5:42 p.m.

The meeting was re-opened at 5:49 p.m.

**V. Consideration of DCHFA Resolution No. 2016-12 for The Beacon Center transaction.**

Mr. Lee introduced the resolution and then introduced Mr. Martin Lucero, Development Officer, who provided a brief summary of the project. The principal developer and sponsor of this project is Beacon Center Housing, LLC (the “Sponsor”), whose managing member is comprised of The Community Builders (“TCB”), a national affordable housing developer, and Emory Beacon of Light, a non-profit affiliate of Emory United Methodist Church that specializes in community development. Additional members of the development team include Ellisdale Construction and Development as the general contractor, Torti Gallas Urban, Inc. as the architect of record, and TCB as the property manager.

The project will be located at 6100 Georgia Avenue, NW in the Brightwood neighborhood of Ward 4 and consists of the acquisition and new construction of a ninety-nine (99) unit apartment building and eighty-seven (87) parking spaces (the “Project”). The bedroom mix will include seven (7) studio units, sixty-one (61) one-bedroom units, twenty-seven (27) two-bedroom units, and four (4) three-bedroom units. The Sponsor has elected to set aside one-hundred percent (100%) of the units at or below sixty percent (60%) of the area median income (“AMI”). Furthermore, eight (8) units will be restricted at thirty percent (30%) of AMI for permanent supportive housing.

The total Project development costs will be approximately \$42.5 million. The Project will be financed with tax-exempt notes, proceeds from the syndication of low income housing tax credits, a subordinate loan from the D.C. Department of Housing and Community Development (“DHCD”), a Neighborhood Investment Fund loan from the Office of the Deputy Mayor for Planning and Economic Development, and accrued interest on the DHCD debt during the construction and lease up period. With respect to the tax-exempt notes, \$21.6 million in tax-exempt notes will be offered through a private placement with \$7.3 million in long term notes and \$14.3 million in short term notes. The sponsor has selected JPMorgan Chase as the note purchaser. The low income housing tax credit investor will be Red Stone Equity Partners at a rate of \$1.08 per credit for an estimated amount of \$16 million. The estimated construction schedule is 24 months.

Members of the development team who were present at the meeting included the following: Jacqueline Alexander, Director of TCB, Alisa Molyneaux, Executive Director of Emory Beacon of Light, David Davenport, Project Manager for Northern Real Estate Urban Ventures, and

Andrew Spicknall, Partner at Ballard Spahr LLP. Mr. Binitie indicated that due to the Board having recently been briefed on the transaction at a prior board meeting, Ms. Alexander did not need to provide an additional presentation for the Project.

Mr. Binitie asked, regarding the Project being an historic site, how the Sponsor would perform the environmental remediation and respond to any potential findings they may encounter. Ms. Alexander explained that the archaeological work would last eight (8) weeks, including five (5) weeks of digging. During the period in which they are digging, they will not perform any asbestos abatement or mold mitigation in order to not disrupt the air quality. Once the digging is complete they will resume all abatement and mitigation work. In the event that an artifact is found during the digging, it will be removed from the site and given to the United States Park Services. If the artifact is an actual structure, it will be mapped out and eventually demolished. Mr. Binitie followed up by asking what artifacts they expect to find. Ms. Alexander said that possibly cannon balls and bullets as well as fort walls might be found. Mr. Green noted that the site had been only a temporary fort and that there may be nothing left there. Ms. Alexander added that they have built the archaeological work into their construction schedule and did not expect to begin construction of the Project until the last week in September.

Mr. Binitie then disclosed that while he is not gaining financially from this transaction, he is currently partnering with TCB on another transaction, and to avoid the appearance of any conflict he would recuse himself from voting on this resolution.

A motion to approve the resolution was made by Mr. Green and seconded by Mr. Jackson. The roll was called, and with four affirmative votes and one abstention, the resolution was approved.

#### **VI. Vote to close the meeting to consult with the Board's Counsel, Mr. Thorn Pozen.**

Pursuant to the District of Columbia Administrative Procedure Act, the Chairman called a vote to close the meeting in order to consult with an attorney to obtain legal advice and to preserve the attorney-client privilege between an attorney and the Agency, or to approve settlement agreements provided that, upon request, the Agency may decide to waive such privilege. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(4)(A)).

A motion to close the meeting was made by Mr. Green and seconded by Mr. Jackson. The motion was approved by a chorus of ayes.

The meeting was closed at 6:03 p.m.

The meeting was re-opened at 6:39 p.m.

## **VII. Acting Executive Director's Report.**

- The National Council of State Housing Agency's annual conference will be held from September 24<sup>th</sup> until the 27<sup>th</sup> in Miami. Mr. Binitie and Ms. Miller indicated that they would attend. Mr. Lee requested that any other Board Members who wished to attend inform him.

## **VIII. Adjournment.**

A motion to adjourn the meeting was made by Mr. Green and seconded by Mr. Jackson. The motion was approved by a chorus of ayes.

The meeting was adjourned at 6:41 p.m.

Submitted by Todd A. Lee, Acting Secretary to the Board of Directors on August 19, 2016.

Approved by the Board of Directors on August 23, 2016.